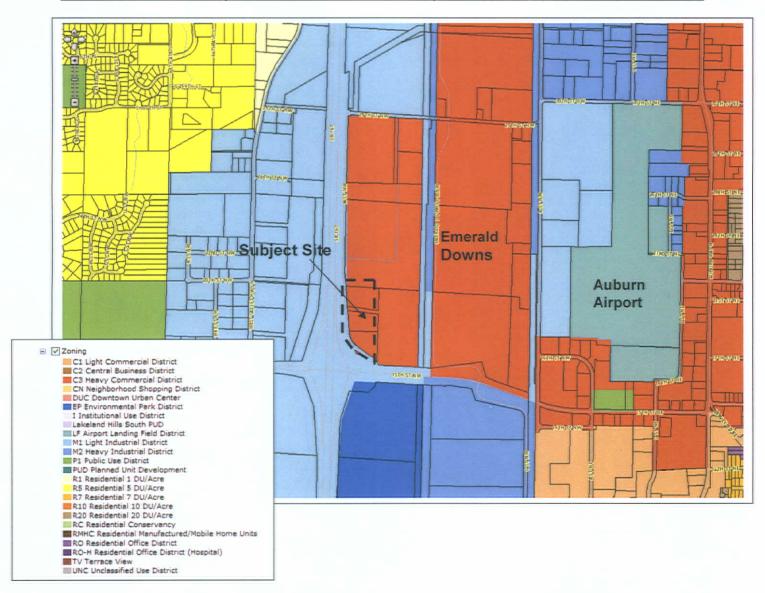


AGENDA BILL APPROVAL FORM

Agenda Subject: Ordinance No Application No. REZ09-0003), 6297 Fiorito Busine	ss Park Rezone;	Date: March 4, 2010
Department: Planning and Development	Attachments: Ord Hearing Examiner and Exhibit List		Budget Impact: N/A
Administrative Recommendati	on:		
City Council introduce and adopt	t Ordinance No. 6297		
Background Summary:			
S	Seattle, WA 98101		'01 Pike Street, Suite 2100, /ay, Seattle, WA 98107
REQUEST: Rezone approxima Business Park		10 acres from C-3, h	Heavy Commercial, to BP,
	050 M Street NW; Pa 221049043	rcel Numbers: 1221	049041, 1221049042, and
EXISTING LAND USE:	/acant		
COMPREHENSIVE PLAN DESIGNATION: F	Heavy Commercial		
SEPA STATUS: DNS issued on Januar		ry 18, 2010	
L0315-1			
O3.8 REZ09-0003			4 9 Division
☐ Airport ☐ Fina ☐ Hearing Examiner ☐ Mun ☐ Human Services ☐ Plar ☐ Park Board ☐ Publ	CIL COMMITTEES:	Reviewed by Departro Building Cemetery Finance Fire Legal Public Works Information Service	M&OMayorParks⊠ PlanningPoliceU Human Resources
Action: Committee Approval: Council Approval: Referred to Tabled	□Yes □No □Yes □No □Until/		g//
Councilmember: Norman		Staff: Snyder	
Meeting Date: March 15, 2010		Item Number: VIII.	A.2

The Comprehensive Plan designation, zoning designation and land uses of the surrounding properties are:

	Comprehensive Plan	Zoning	Land Use
Project Site	Heavy Commercial	C-3, Heavy Commercial	Vacant
North	Heavy Commercial	C-3, Heavy Commercial	Vacant
South	Light Industrial	EP, Environmental Park District	15 th Street NW
East	Heavy Commercial	C-3, Heavy Commercial	Costco Wholesale warehouse
West	Light Industrial	M-1, Light Industrial	SR -167



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FINDINGS OF FACT:

 Gary Volchok, CB Richard Ellis, on behalf of Fiorito Brothers Inc., has applied for a contract rezone for a 10 acre property located at 15th Street NW and M Street NW, approximately 1500 M Street NW.

- 2. A Comprehensive Plan Text amendment was applied for concurrently with the rezone on June 17, 2009. However, after further review of the requested land use action and the Auburn City Code, staff determined that a text amendment was not necessary.
- 3. The Business Park (BP) Zone is allowed pursuant to Auburn City Code (ACC) Chapter 18.36 and is intended to provide a suitable area for industrial, professional office, service, and commercial uses within a planned, well managed site with high quality development standards.

It is also the intent of this district to allow flexibility with regard to development standards and uses if the flexibility results in an atmosphere of superior architectural, site and landscape design. This district may be applied to any site within the city designated as "region serving" in the comprehensive plan, which is zoned commercial or industrial. In addition, the comprehensive plan identifies specific locations appropriate for business park development.

The subject site is within the City's "region serving area" (Exhibit 15) and has a commercial zoning designation.

4. The C-3 (Heavy Commercial) zone allows for a variety of uses ranging from automobile sales to professional offices (see ACC 18.30.020). The intent of the C-3 zone is,

"The intent and objective of the C-3 district classification and its application is to provide for the location of and grouping of enterprises which may involve some on-premises retail service but with outside activities and display or fabrication, assembling, and service features. This zone is intended to accommodate uses which are oriented to automobiles either as the mode or target or producing the commercial service. The uses enumerated in this classification are considered as having common or similar performance standards in that they are heavier in type than those uses permitted in the more restrictive commercial classifications."

5. The intent of the M-1 (Light Industrial) zone is,

"The purpose of the M-1 light industrial zone is to accommodate a variety of industrial, commercial, and limited residential uses in an industrial park environment, to preserve land primarily for light industrial and commercial uses, to implement the economic goals of the comprehensive plan and to provide a greater flexibility within the zoning regulations for those uses which are non-nuisance in terms of air and water pollution, noise, vibration, glare or odor. The light industrial/commercial character of this zone is intended to address the way in which industrial and commercial uses are carried out rather than the actual types of products made.

The character of this zone will limit the type of primary activities which may be conducted outside of enclosed buildings to outdoor displays and sales. Uses which are not customarily conducted indoors or involve hazardous materials are considered heavy industrial uses under this title and are not appropriate for the M-1 zone. An essential aspect of this zone is the need to maintain a quality of development that attracts rather than discourages further investment in light industrial and commercial development. Consequently, site activities which could distract from the visual quality of

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development of those areas, such as outdoor storage, should be strictly regulated within this zone."

- 6. Pursuant to ACC Section 18.36.030, uses listed as permitted, administrative, and conditional in the M-1 zone and uses listed as permitted in the C-3 zone may be considered for a Business Park zone. The applicant requests a variety of uses be permitted as part of the Business Park including warehousing and manufacturing. Please see Exhibit 12 for the complete list of recommended permitted uses by staff and Exhibit 3 for the complete list of uses proposed by the applicant.
- 7. There are specific development and supplemental development standards that are applicable to a Business Park zoned property outlined in ACC Sections 18.36.050 and 18.36.060.
- 8. As part of a Business Park rezone, a conceptual site plan is required. If the rezone is approved by the City Council then a final site plan is submitted to the Planning Director for review and approval. The conceptual site plan shows an approximate 95,250 square foot building with associated parking, landscaping, and storm drainage facilities. As a tenant has not been identified for this site, detailed analysis of parking, traffic, and storm drainage facilities will be done when there is a tenant.
- 9. A goal of the Business Park zone, as stated above, is to provide a location for a mix of uses that could include retail, office, or warehouse.
- 10. Pursuant to ACC 18.68.030 and 18.68.040, all applications for a rezone shall be reviewed by the Planning Director prior to the scheduling of a public hearing. After review of the application, the Director shall determine which of the following two processes should occur to properly hear the rezone:
 - a. If the rezone is consistent with the comprehensive plan, then the Hearing Examiner shall conduct a public hearing on the rezone and make a recommendation to the City Council pursuant to ACC 18.66.170.
 - b. If the rezone is in conflict with the comprehensive plan, or there are no policies that relate to the rezone, or the policies are not complete, then a comprehensive plan amendment must be approved by the City Council prior to the rezone being scheduled for a public hearing in front of the Hearing Examiner. The Planning Commission shall conduct a public hearing on the comprehensive plan amendment and make a recommendation to the City Council.

This application is consistent with the comprehensive plan, as outlined below in the conclusions portion of the staff report and is therefore being processed pursuant to Process A specified above.

- 11. The applicant filed an environmental checklist that addressed the comprehensive plan amendment and rezone. The checklist was revised on June 23, 2009 to identify adjacent critical areas (Exhibit 5).
- 12. On January 18, 2010, the SEPA Responsible Official issued a Determination of Non-Significance (DNS) for the proposed Business Park rezone. The comment period ended February 2, 2010 with no comments received and the appeal period ends February 16, 2010 (Exhibit 6).
- 13. Pursuant to ACC 18.68.040, notice of a public hearing shall be given at least 10 days prior to the public hearing and in accordance with ACC 14.07.040. The public hearing notice was published in the Seattle Times on February 3, 2010, provided to the property owners within 300 feet of the subject site, and posted on the subject property meeting this requirement (Exhibit 9).

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14. The City Council changed their role in quasi-judicial approvals giving that authority to Hearing Examiner to make decisions with the adoption of Ordinance No. 6184 on October 6, 2008. Since rezones are approved by Ordinance the City Council is still the decision maker on rezones with the Hearing Examiner making a recommendation on the proposal.

- 15. As part of the 2006 Annual Amendments to the Comprehensive Plan, the City initiated several land use map changes from an industrial designation to a commercial designation. The subject property was part of those amendments with the City Council approving a land use change from Light Industrial to Heavy Commercial along with a subsequent rezone from M-1 to C-3. After four years of not being able to secure a tenant for the site under the C-3 zoning, the applicant requested a Business Park rezone in order to allow additional uses, primarily industrial.
- 16. M Street NW abutting the subject property to the west is a non-residential collector and this road classification supports the rezone request. However the current roadway is not constructed to current non-residential collector street standards. Any future development of the subject site will require frontage improvements at a minimum includes curb, gutter, sidewalk, street trees, street lights, and a bike lane.
- 17. The subject sites access is from M Street NW which ties into 15th Street NW. This intersection is located within approximately 350 feet to the 15th Street NW/SR-167 on/off ramps, which are controlled by the Washington State Department of Transportation. Once a tenant has been identified and the final site plan submitted for review, the City will further analyze the traffic impacts of the project and identify appropriate traffic mitigation that may be warranted as a result of the tenant.
- 18. A public hearing was held before the City of Auburn Hearing Examiner on February 17, 2010.
- 19. The City of Auburn Hearing Examiner issued a recommendation of approval on March 1, 2010.

CONCLUSIONS:

ACC Chapter 18.68 provides certain criteria for approval of a rezone and ACC Chapter 18.36 has specific requirements that shall be met for approving a Business Park zone:

1. The rezone must be consistent with the Comprehensive Plan.

Comment

Policy LU-3 states that areas on the valley floor which are suitable to support large scale economic development project should be reserved, for the most part, for uses which support Auburn's role as a regional employment and commercial center (to be known as the Region Serving Area). The subject site is within the designated Region Serving Area and proposed to be developed with a 95,000 square foot building that will support a range of commercial and industrial type uses.

Policy LU-109 states that highly visible areas (lands visible from SR-167 or SR-18) which tend to establish the image of the city should not be used by heavy industrial uses. The subject site is visible from SR-167, particularly from the southbound direction. Staff recommends several design standards be applied to the development of this site as part of the contract rezone to insure that the project has a high quality visual appearance.

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Policy ED-8 states that Auburn should continue to provide an economic base not only for the Auburn area but also for the south King County and north Pierce County region. The subject site is located centrally in Auburn and will provide a range of commercial and industrial uses that will provide jobs and economic growth within the region.

The Economic Development chapter of the Comprehensive Plan discusses the impacts of Streamlined Sales Tax on the City of Auburn. Auburn and similar cities have historically invested in infrastructure to support businesses engaged in warehouse and distribution activities. With the passage of streamlined sales tax, new warehouse and distribution facilities do not provide the sales tax revenue to support the infrastructure needs of these types of uses. The applicant proposes that warehouse and distribution is a permitted use as part of the business park. The Business Park zone states that uses in the C-3 and M-1 zones *may* be permitted in the Business Park zone. Under Finding 9, a goal of the Business Park zone is to provide a location for a mix of uses that could include retail, office, or warehouse. Staff recognizes that requiring only retail at this location has not proven successful; however, the recommendation is to permit only warehouse and distribution in the rear portion of the proposed building and require retail in the front portion of the building that is visible to SR-167. Under the recommended conditions of approval, staff requests that a minimum of 25% of the building be retail.

Policy UD-9 states that the visual impact of large new developments should be a priority consideration in their review and approval. Staff's recommendation includes design standards for the project to develop under.

2. The rezone must be initiated by someone other than the City in order for the Hearing Examiner to consider the request.

Comment

The rezone has been initiated by the property owner, Fiorito Brothers Inc. and applicant, Gary Volchok.

3. Pursuant to ACC Section 18.36.020, a conceptual approval is the first step in a Business Park rezone. The rezone shall be a contract rezone and shall include an agreement that establishes the type, square footage, and general location of the uses; the location and size of the park; restrictive covenants; public improvements; and the responsibilities of the owner/developer.

Comment

The proposed business park is approximately 10 acres in size which meets the required minimum area as required under Section 18.36.050. At the conceptual site plan stage, the application proposes a single structure that is approximately 95,250 square feet. When a final site plan is submitted, staff is not opposed to multiple structures as long as the total square footage does not exceed 95,252 square feet.

As stated in the application materials (Exhibit 3), the applicant proposes several uses from both the C-3 and M-1 zoning districts. Staff concurs with the majority of the proposed permitted uses with the exception of bingo halls and cold storage plants (Exhibit 13). As discussed under response number 1, the Business Park zone states that uses in the C-3 and M-1 zones *may* be permitted in the Business Park zone. Under Finding 9, a goal of the Business Park zone is to provide a location for a mix of uses that could include retail, office, or warehouse. Staff recognizes that requiring only retail at this location has not proven successful; however, the recommendation is to permit only warehouse and distribution in the rear portion of the proposed building and require retail in the front portion of the

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building that is visible to SR-167. Under the recommended conditions of approval, staff requests that a minimum of 25% of the building be retail.

Frontage improvements will be required when the property develops and any necessary utility improvements depending on the tenant of the building (e.g. fire flow). As mentioned above under Finding 16, staff will review the traffic impacts once there is a tenant and a project is submitted for permits.

4. Pursuant to ACC Section 18.36.020, a Business Park zone shall only be approved when the owner/developer has demonstrated that a public benefit will result and the project contains architectural, site, and landscape design standards that are significantly superior to those typically required in the other industrial and commercial zones.

Comment

The applicant proposes to construct a development similar to the Opus Park site, which was a Business Park, originally approved by the City Council in 1997 (Ordinance No. 4962) and subsequently revised in 2001 (Ordinance No. 5607), and located south of the SuperMall (See Section D of Exhibit 3). The applicant proposes the project site will have landscaping, a master sign plan, lighting, and architectural features similar to those constructed at the Opus Park site.

Staff reviewed the proposed elements to the Fiorito Business Park Rezone and provided a comparison outlined below:

Required by Code	Applicant Proposal to Exceed Standard
a. Frontage landscaping – 5 foot width Type III	a. Proposal 10 foot width landscaping
b. Architectural elements – Comprehensive Plan policies to address visual impact of large developments however, City does not have design standards for the C-3 zone	b. Applicant proposes similar architectural features as the Opus Park site.
 c. Parking lot landscaping – 100 square foot planter island every 10 stalls. 	c. What shown on the conceptual site plan is code minimum.
d. Signs permitted individually by tenant	d. Applicant proposes to have a master sign plan for the business park.
e. Recreation facilities are not required as part of commercial development.	e. Provide a trail along the wetland buffer that could potentially connect to the Interurban Trail.

Staff concurs that the applicant's proposal exceeds the standards required by code in regards to landscaping, a master signage plan, and providing a trail. While the architectural elements are not a code requirement and the applicant is proposing similar project look to the Opus Park site, staff is concerned with some of the features at the Opus Park site such as blank walls, no awnings over business entrances, and the building scale appearance. Staff recommends design standards be applied to the project as outlined in Exhibit 14.

5. No significant impacts on the public infrastructure shall occur that cannot be effectively mitigated by the development of the business park.

Comment

The proposed Business Park is not anticipated to have significant impacts on the public infrastructure that cannot be effectively mitigated. There are existing utilities available to the project site; an 8 inch sewer main and 8 inch water main. Depending on the eventual tenant of the subject site, there could be a need to upgrade the water main to meet fire flow requirements. Frontage improvements will be required along M Street NW to meet the City's non-residential collector standards. As previously

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stated, a detailed traffic analysis will be provided and reviewed by staff at the final site plan stage and a tenant is identified.

6. If the approval of the business park requires a subdivision of the property, the preliminary plat may be processed concurrently.

Comment

The business park does not require a subdivision of the property; however, a lot line elimination will need to be processed concurrently with the final site plan approval process to remove the parcel line going through the property building. Staff recommends a condition of approval to address this.

In addition, the Washington State Supreme Court has identified other general rules for rezone applications (see *Parkridge v. Seattle*, 89 Wn.2d.454; 573 P.2d 359 (1978)):

a. Conditions in the area must have changed since the original zoning was established if not consistent with the comprehensive plan.

Comment

The proposed business park rezone is consistent with the comprehensive plan as analyzed above under response number 1.

b. The proposed rezone must bear a substantial relationship to the general welfare of the community.

Comment

Also a requirement of the Business Park zone, the applicant must demonstrate a public benefit. The proposed rezone implements the City of Auburn Comprehensive Plan by providing economic development within the Region Serving Area of the City. By meeting the conditions of approval, the development will be constructed under design standards that would not otherwise be required if developed under the C-3 zone as well as providing additional landscaping, and potentially recreational facilities along the access road that could potentially connect to the Interurban Trail.

STAFF RECOMMENDATION

Based upon the application and Findings of Fact and Conclusions of the staff report, staff recommends that the Hearing Examiner recommend to the City Council approval of the rezone with the following conditions of approval:

- 1. A lot line elimination shall be processed concurrently with the final site plan approval.
- 2. The applicant shall submit a traffic impact analysis, storm drainage report, and wetland report as part of the final site plan approval process.
- 3. The permitted uses shall be those uses identified in Exhibit 13 with the exceptions previously noted.
- 4. The project shall comply with the design standards as outlined in Exhibit 14. As part of the final site plan submittal and review process, the applicant shall submit building elevations demonstrating how the proposed building complies with the Fiorito Business Park Design Standards.

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5. The general location of the proposed building to be developed on the subject site shall be consistent with the conceptual site plan dated February 5, 2010. The proposed storm drainage facility may increase depending on the outcome of the final site plan review which could impact location of parking spaces and will be reviewed as part of the final site plan review process.

- 6. A master landscape plan shall be prepared for the entire project site. A minimum ten (10) foot wide landscape area shall be constructed along the M Street NW property frontage. The expanded landscape area along the top of slope area of M Street NW as it rises to intersect 15th Street NW shall be designed in an innovative way and create a gateway into the project. The master landscape plan shall be prepared and submitted as part of the final site plan process.
- 7. A master sign plan shall be prepared and approved by the City that coordinates the exterior signs of the individual tenants. The sign regulations outlined in ACC Chapter 18.56 for the C-3 zone shall apply for size, height, and number of signs permitted. Signage shall be part of the architecture of the building and not an afterthought; however, the architectural design of the tenants' logos is not intended to be altered by this condition. The master sign plan shall be prepared and submitted as part of the final site plan process.
- 8. All exterior lighting shall be designed and constructed such that the direct illumination does not unreasonably spill over on adjoining properties. The exterior lighting shall be coordinated for the site; including both parking lot lighting and building lighting. The exterior lighting plan shall be prepared and submitted as part of the final site plan process.
- 9. Pedestrian walkways shall be provided that connect the parking areas to building entrances. Pedestrian connections shall be clearly defined by textured paving, including vehicular lanes, such as unit pavers, stamped concrete, or scored concrete. These walkways shall be shown on the final site plan.
- 10. The concept of a recreational trail adjacent to the wetland area on Parcel 1221049041 shall be part of the final site plan review process and potential connection to the Interurban Trail explored.
- 11. Amendments to this Business Park rezone may occur as follows:
 - a. The Planning Director may interpret the words and meaning of certain conditions in order to resolve conflicts in implementation.
 - b. If changes to the language of the rezone are required, such proposed changes shall be reviewed by the Planning and Community Development Committee of the City Council, or its successor. If the change is minor, less than 10% change, then the Committee shall make a recommendation to the City Council. If the change is major, greater than 10% modification, then the Committee shall refer the change to the Hearing Examiner. The Hearing Examiner shall conduct a public hearing and make a recommendation to the City Council.
 - c. Amendments to the rezone shall only be initiated by the property owner of the City.

HEARING EXAMINER RECOMMENDATION

After conducting a duly advertised public hearing, the Hearing Examiner issued his recommendation of approval on March 4, 2010 with 11 conditions of approval:

- 1. A lot line elimination shall be processed concurrently with the final site plan approval.
- 2. The applicant shall submit a traffic impact analysis, storm drainage report, and wetland report as part of the final site plan approval process.

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3. The permitted uses shall be those uses identified in Exhibit 13 with the exceptions previously noted. Items 26 and 35 of Exhibit 13 are revised to allow the specified uses throughout the buildings of the project except in the areas required for retail use.

- 4. The project shall comply with the design standards as outlined in Exhibit 14. As part of the final site plan submittal and review process, the applicant shall submit building elevations demonstrating how the proposed building complies with the Fiorito Business Park Design Standards.
- 5. The general location of the proposed building to be developed on the subject site shall be consistent with the conceptual site plan dated February 5, 2010. The total area of any proposed building shall be limited to 95,000 square feet. The proposed storm drainage facility may increase depending on the outcome of the final site plan review which could impact location of parking spaces and will be reviewed as part of the final site plan review process. The project shall comply with the retail space requirements of Condition 2(B)(1) of Auburn Ordinance No. 5607.
- 6. A master landscape plan shall be prepared for the entire project site. A minimum ten (10) foot wide landscape area shall be constructed along the M Street NW as it rises to intersect 15th Street NW shall be designed in an innovative way and create a gateway into the project. The master landscape plan shall be prepared and submitted as part of the final site plan process.
- 7. A master sign plan shall be prepared and approved by the City that coordinates the exterior signs of the individual tenants. The sign regulations outlined in ACC Chapter 18.56 for the C-3 zone shall apply for size, height, and number of signs permitted. Signage shall be part of the architecture of the building and not an afterthought; however, the architectural design of the tenants' logos is not intended to be altered by this condition. The master sign plan shall be prepared and submitted as part of the final site plan process.
- 8. All exterior lighting shall be designed and constructed such that the direct illumination does not unreasonably spill over on adjoining properties. The exterior lighting shall be coordinated for the site, including both parking lot lighting and building lighting. The exterior lighting plan shall be prepared and submitted as part of the final site plan process.
- 9. Pedestrian walkways shall be provided that connect the parking areas to building entrances. Pedestrian connections shall be clearly defined by textured paving, including vehicular lanes, such as unit pavers, stamped concrete, or scored concrete. These walkways shall be shown on the final site plan.
- 10. The concept of a recreational trail adjacent to the wetland area on Parcel 1221049041 shall be part of the final site plan review process and potential connection to the Interurban Trail explored.
- 11. Amendments to this Business Park rezone may occur as follows:
 - a. The Planning Director may interpret the words and meaning of the certain conditions in order to resolve conflicts in implementation.
 - b. If changes to the language of the rezone are required, such proposed changes shall be reviewed by the Planning and Community Development Committee of the City Council, or its successor. If the change is minor--less than 10% change--then the Committee shall make a recommendation to the City Council. If the change is major--greater than 10% modification-then the Committee shall refer the change to the Hearing Examiner. The Hearing Examiner shall conduct a public hearing and make a recommendation to the City Council.

Agenda Subject: Ordinance No. 6297 Fiorito Business Park Rezone; Application No. REZ09-0003 Date: March 4, 2010

c. Amendments to the rezone shall only be initiated by the property owner of the City.

EXHIBIT LIST

Exhibit 1	Staff Report
Exhibit 2	Vicinity Map
Exhibit 3	Application
Exhibit 4	Conceptual Site Plan
Exhibit 5**	Environmental Checklist
Exhibit 6**	Combined Notice of Application (NOA) and SEPA Determination
Exhibit 7**	Affidavit of Posting NOA and SEPA Determination
Exhibit 8**	Affidavit of Mailing NOA and SEPA Determination
Exhibit 9**	Notice of Public Hearing
Exhibit 10**	Affidavit of Posting Public Hearing Notice
Exhibit 11**	Affidavit of Mailing Pubic Hearing Notice
Exhibit 12	Aerial Photograph
Exhibit 13	Staff Recommended Permitted Uses for Fiorito Business Park
Exhibit 14	Design Standards for the Fiorito Business Park
Exhibit 15	Map 3.2, Urban Form, Auburn Comprehensive Plan
Exhibit 16**	Ordinance No. 4962, Opus Business Park Rezone
Exhibit 17**	Ordinance No. 5607, Opus Business Park Revised Rezone

Submitted at Hearing:

Exhibit 18**	Affidavit of public hearing notice from Seattle Times
Exhibit 19	Hamm/Gemma Correspondence
Exhibit 20	Photos submitted by applicant Gary Volchok

^{**}Exhibits with an asterisk are not included in the packet but are available upon request.

ORDINANCE NO. <u>6 2 9 7</u>

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF

AUBURN, WASHINGTON, APPROVING THE REQUEST OF FIORITO BROTHERS FOR A REZONE FROM C-3 HEAVY

COMMERCIAL TO BP BUSINESS PARK FOR PROPERTY

LOCATED AT M STREET NW AND 15TH STREET NW

WHEREAS, Application No. REZ09-0003 has been submitted to the City Council

by the Fiorito Brothers, Inc. requesting the rezoning of real property located at 15th

Street NW and M Street NW and designated by parcel numbers 1221049041,

1221049042, and 1221409043; and

WHEREAS, the environmental impacts of the Fiorito Business Park Rezone

were considered in accordance with the procedures of the State Environmental Policy

Act; and

WHEREAS, the Business Park zoning designation can be applied to any site

within the city designated as "region serving" in the comprehensive plan, that is zoned

commercial or industrial; and

WHEREAS, after proper notice published in the City's official newspaper at least

ten (10) days prior to the date of hearing, the City of Auburn Hearing Examiner on

February 17, 2010 conducted a public hearing on the proposed Fiorito Business Park

Rezone: and

WHEREAS, at the public hearing the City of Auburn Hearing Examiner heard

public testimony and took evidence and exhibits into consideration; and

Ordinance No. 6297 March 10, 2010 WHEREAS, thereafter the City of Auburn Hearing Examiner made a recommendation to the City Council on the proposed Fiorito Business Park Rezone; and

WHEREAS, on March 15, 2010, the Auburn City Council considered the proposed Fiorito Business Park Rezone as recommended by the City of Auburn Hearing Examiner; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, DO ORDAIN AS FOLLOWS:

<u>Section 1.</u> The City Council ("Council) adopts and approves the Fiorito Business Park rezone from C-3 Heavy Commercial to BP Business Park and directs that the rezone application and all related documents be filed along with this Ordinance with the Auburn City Clerk and be available for public inspection.

<u>Section 2.</u> The Zoning Map amendment is herewith designated as a basis for the exercise of substantive authority under the Washington State Environmental Policy Act by the City's responsible environmental official in accordance with RCW. 43.21C.060.

<u>Section 3.</u> The Council adopts the Findings of Fact and Conclusions of Law, in the Hearing Examiner's recommendation outlined below:

FINDINGS OF FACT

Procedural:

- 1. Applicant. The applicants are the Fiorito Brothers, represented by Gary Volchok.
- 2. <u>Hearing</u>. The Hearing Examiner conducted a hearing on the application at 5:30 p.m. at Auburn City Hall in the Council Chambers on February 17, 2010.

Substantive:

- 3. <u>Site/Proposal Description</u>. The applicant has applied for the rezoning of an approximate 10 acre parcel from C-3 (Heavy Commercial) to BP (Business Park). The property was zoned Heavy Commercial in order to encourage retail use in an area that is proximate and visible to SR 167. The applicant has found that the area is not suitable for exclusive retail use and wishes to rezone it to BP in order to allow for a mixture of retail and other uses such as industrial.
 - In order to acquire approval of a rezone to BP, the applicant must acquire approval of a contract rezone that incorporates a conceptual site plan. ACC 18.36.020. The planning director shall approve the final site plan. The applicant acknowledges that his conceptual site plan is based upon one proposed industrial use from several years ago and will have little relation to what will actually be developed. There was some testimony to the effect that the site plan establishes a maximum building area of 95,000 square feet, but this limitation is already included in the recommended conditions of approval. The site plan presented by the applicant appears to be completely meaningless. The applicant has agreed to enhance design requirements that would not otherwise be applicable. These are outlined in Exhibit 14. The applicant has also agreed to a limited set of uses for the property, which are outlined in Exhibit 15.
- 4. Characteristics of the Area. The site is adjoined by SR 167 to the west, a Costco distribution facility on the east, an undeveloped wetlands and floodplain area to the north and 15th St. NW to the south. Emerald Downs is located east of the Costco facility. M Street only connects to 15th St. NW. Assessor and other maps show that M street loops into 29th Street, but 29th Street is closed. As noted by the applicant, the project site is fairly isolated from any other use. There is conflicting evidence on whether the project site is visible from SR 167; with staff stating that it is visible, in particular going southbound on SR 167 while the applicant presented photos (Ex. 19) that it is not. The photos do not show what can be seen at auto level, so they are of limited utility. Vegetation or topography may very well limit visibility from SR 167 but this is not evident from the photos.
- 5. <u>Public Benefit</u>. A critical requirement for approval of a BP designation is that it must result in a public benefit. The applicant has made a compelling argument that the property cannot be developed as a C-3 use. In addition to all the evidence presented by the applicants, there is also the common sense conclusion that if they could have sold the property as C-3, they would have done so given the value of that type of property. As a baseline, therefore, it must be acknowledged that there is a public benefit to the proposed rezone simply because it will facilitate the development of vacant land in an urban area. This

promotes the creation of jobs and an increase in real property taxes. The use limitations and design standards agreed to by the applicant (Exhibits 13 and 14) further add to public benefit by enhancing the compatibility of the development with surrounding uses and enhancing the aesthetic values of that development.

The one downside to the rezone is that it facilitates industrial use, which the City believes to create a demand on public services (mainly street wear and tear by industrial vehicles) with no off-setting generation of public revenue through a sales tax. The staff requirement for a mix of retail and industrial use off-sets this downside. During the hearing staff and the applicant agree upon language similar to that specified pages 13-14 of Ordinance No. 5607 where it designates a minimum amount of retail use. Although the parties came to agreement on some of this language, the portion agreed upon does not stand upon its own. The parties agreed to a minimum requirement of 20 feet of interior space from retail windows without agreeing upon how much window space is required. The Examiner will include the amount of window space specified in Ordinance No. 5607 as well.

Given the lack of marketability of the property as a C-3 use and the design standards and use limitations agreed to by the applicant, the proposal creates a net public benefit.

6. Adverse Impacts. As noted above, the proposal will create a net public benefit. As noted during public testimony, the project area recently went through short plat review. This short plat review required full infrastructure improvements and mitigation for commercial use of the subject lot. As noted by the applicants, most of the improvements they have made satisfy all current development standards, but there will be some improvements in response to changes in stormwater standards. Staff have also noted that some street improvements may be necessary, in particular the addition of a bike lane to M Street as contemplated in the recently updated its Comprehensive Transportation Plan, which now identifies a bike lane along M Street as connecting to the Interurban Trail. All of these infrastructure improvements are minor enough to be addressed at the site plan review stage of approval. Given some of the issues associated with the connectivity of the bike lane, the bike lane requirement is also best left to the site plan review stage when there may be more information available about future connectivity.

There are no adverse impacts discernable from the record given that infrastructure improvements can be adequately addressed at site plan review; that there are no environmentally sensitive areas associated with the site; and that there are no compatibility problems with adjoining land uses.

CONCLUSIONS OF LAW

Procedural:

1. <u>Authority of Hearing Examiner</u>. ACC 18.68.030(B)(1)(a) grants the Hearing Examiner with the authority to review and make a recommendation on rezone requests to the City Council if the planning director determines that the rezone requests are consistent with the comprehensive plan. The planning director has determined that the rezone request is consistent with the comprehensive plan. The comprehensive plan land use map designation for the property is Heavy Commercial with an overlay of "region serving". Acc 18.36.010 provides that the BP zone may be established in any area designated "region serving" that is zoned commercial or industrial.

Substantive:

- 2. Zoning Designation. The property is current zoned C-3, Heavy Commercial.
- 3. <u>Case Law Review Criteria and Application</u>. Washington appellate courts have imposed some criteria themselves, requiring that the proponents of a rezone must establish that conditions have substantially changed since the original showing and that the rezone must bear a substantial relationship to the public health, safety, morals or welfare. *See Ahmann-Yamane, LLC v. Tabler*, 105 Wn. App. 103, 111 (2001). If a rezone implements the Comprehensive Plan, a showing that a change of circumstances has occurred is not required. *Id.* at 112.

As discussed in the staff report, there is no question that the project is consistent with the comprehensive plan. The requirement for retaining some retail use along with the industrial use helps to support Auburn's role as a regional employment and commercial center as contemplated by Policy LU-3. The design standards agreed upon by the applicant in conjunction with the frontage retail requirement is consistent with the LU-109 prohibition on placing industrial uses in highly visible areas (if the area even qualifies as highly visible – as noted previously the evidence on this issue is incomplete). The rezone facilitates the development of the vacant land into uses that will create jobs, as consistent with Policy ED-8.

Although the policy may be consistent with the Comprehensive Plan, it is debatable whether it "implements" the Comprehensive Plan. The current C-3 designation is also consistent with the Comprehensive Plan. It is unclear from the case law whether changing from one consistent use to another qualifies as "implementing" the plan. The courts use of the term "implement" the Plan instead of the standard requirement for consistency with the Plan suggests that something more is required. The only reasonably plausible "something more" is

that the change is necessary for consistency with the plan. Given that a rezone is not necessary to achieve consistency with the Comprehensive Plan, a change in circumstances is necessary. The severe downturn in the commercial real estate market, as testified by Mr. Volchok, qualifies as a change in circumstances since the last rezone of the property in 2006.

Since the proposal will result in a net public benefit as discussed in the Findings of Fact, it bears a substantial relationship to the public health, safety, morals or welfare as required by the case law cited above.

- 4. Code Requirements for Approval of a BP Rezone. Although Auburn's municipal code does not provide any review standards for rezones in general, there are specific standards that apply to rezones to the BP designation. These standards are identified in Chapter 18.36 ACC. Relevant standards are quoted below with accompanying analysis in conclusions of law.
 - ACC 18.36.020(A)(1): Conceptual approval of a business park shall be applied by the rezone process as specified in ACC 18.68.030(B)(1)(a). The rezone shall be a contract rezone and shall include an agreement that establishes the type, square footage and general location of the uses; the location and size of the park; restrictive covenants; public improvements; and the responsibilities of the owner/developer.
- 5. As mentioned previously, the conceptual site plan offered by the applicant is worthless, since the applicant and staff both acknowledge that the project will probably not bear any resemblance to what is diagramed in the site plan. However, it should be recognized that no site plan is actually required by ACC 18.36.020(A)(1) at this stage of review. Exhibits 13 and 14, in conjunction with the 95,000 square foot size limitation and the boundaries of the subject parcel provide the information required by ACC 18.36.020(A)(1). It is a little puzzling why the applicant has presented any actual site plan, since all it accomplishes is confusion. It is understood that the site plan helps establish a maximum building area for the project, but if that is all it's used for its purpose must be more clearly expressed.
 - ACC 18.36.020(A)(2): A BP district shall only be approved when the owner/developer has demonstrated that a public benefit will result and the project contains architectural, site, and landscape design standards that are significantly superior to those typically required in the other industrial and commercial zones.
- 6. As noted in Finding of Fact No. 5, the project creates a net public benefit. A comparison of the standards agreed upon by the applicant (Exhibit 13) to those required in other industrial and commercial zones reveals that they are significantly superior.

ACC 18.36.020(A)(3): No significant impacts on the public infrastructure shall occur that cannot be effectively mitigated by the development of the business park.

7. As discussed in Finding of Fact No. 6, infrastructure improvements will be relatively minor and can be addressed during site plan review.

DECISION

The Hearing Examiner recommends approval of REZ09-0003, subject to the following condition:

- 1. A lot line elimination shall be processed concurrently with the final site plan approval.
- 2. The applicant shall submit a traffic impact analysis, storm drainage report, and wetland report as part of the final site plan approval process.
- 3. The permitted uses shall be those uses identified in Exhibit 1 to this ordinance with the exceptions previously noted. Items 26 and 35 of Exhibit 1 are revised to allow the specified uses throughout the buildings of the project except in the areas required for retail use.
- 4. The project shall comply with the design standards as outlined in Exhibit 2 to this ordinance. As part of the final site plan submittal and review process, the applicant shall submit building elevations demonstrating how the proposed building complies with the Fiorito Business Park Design Standards.
- 5. The general location of the proposed building to be developed on the subject site shall be consistent with the conceptual site plan dated February 5, 2010. The total area of any proposed building shall be limited to 95,000 square feet. The proposed storm drainage facility may increase depending on the outcome of the final site plan review which could impact location of parking spaces and will be reviewed as part of the final site plan review process. The project shall comply with the retail space requirements of Condition 2(B)(1) of Auburn Ordinance No. 5607 however the location of glass windows shall be at a minimum the west facing façade.
- 6. A master landscape plan shall be prepared for the entire project site. A minimum ten (10) foot wide landscape area shall be constructed along the M Street NW as it rises to intersect 15th Street NW shall be designed in an innovative way and create a gateway into the project. The master landscape plan shall be prepared and submitted as part of the final site plan process.

- 7. A master sign plan shall be prepared and approved by the City that coordinates the exterior signs of the individual tenants. The sign regulations outlined in ACC Chapter 18.56 for the C-3 zone shall apply for size, height, and number of signs permitted. Signage shall be part of the architecture of the building and not an afterthought; however, the architectural design of the tenants' logos is not intended to be altered by this condition. The master sign plan shall be prepared and submitted as part of the final site plan process.
- 8. All exterior lighting shall be designed and constructed such that the direct illumination does not unreasonably spill over on adjoining properties. The exterior lighting shall be coordinated for the site, including both parking lot lighting and building lighting. The exterior lighting plan shall be prepared and submitted as part of the final site plan process.
- 9. Pedestrian walkways shall be provided that connect the parking areas to building entrances. Pedestrian connections shall be clearly defined by textured paving, including vehicular lanes, such as unit pavers, stamped concrete, or scored concrete. These walkways shall be shown on the final site plan.
- 10. The concept of a recreational trail adjacent to the wetland area on Parcel 1221049041 shall be part of the final site plan review process and potential connection to the Interurban Trail explored.
- 11. Amendments to this Business Park rezone may occur as follows:
 - a. The Planning Director may interpret the words and meaning of the certain conditions in order to resolve conflicts in implementation.
 - b. If changes to the language of the rezone are required, such proposed changes shall be reviewed by the Planning and Community Development Committee of the City Council, or its successor. If the change is minor--less than 10% change--then the Committee shall make a recommendation to the City Council. If the change is major--greater than 10% modification--then the Committee shall refer the change to the Hearing Examiner. The Hearing Examiner shall conduct a public hearing and make a recommendation to the City Council.
 - c. Amendments to the rezone shall only be initiated by the property owner of the City.

Section 4. Upon the passage, approval, and publication of this Ordinance as provided by law, the City Clerk of the City of Auburn shall cause this Ordinance to be

recorded in the office of the King County Recorder.

affect the validity of the remaining portions thereof.

March 10, 2010

Page 9

<u>Section 5.</u> If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any of the Zoning Map amendments adopted herein, is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not

<u>Section 6.</u> The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

<u>Section 7.</u> This Ordinance shall take effect and be in force five days from and after its passage, approval, and publication as provided by law.

	INTRODUCED: PASSED: APPROVED:	
	AFFROVED	
ATTEST:	Peter B. Lewis MAYOR	
Danielle E. Daskam, City Clerk	·	
Ordinance No. 6297		

APPROVED AS TO FORM:

Daniel B. Heid,
City Attorney

Published:

Staff Recommended Permitted Uses Fiorito Business Park Rezone

	PERMITTED USES	ENTIRE BUILDING	REAR PORTION BUILDING ONLY
1	Arcades	YES	YES
2	Art, music, and photography	YES	YES
	studios		
3	Auction houses, excluding animals	YES	YES
4	Automobile repair services	YES	YES
5	Automobile sales, new and/or used	YES	YES
6	Automobile or truck rental	YES	YES
7	Automobile washes	YES	YES
8	Banking and related financial institutions	YES	YES
9	Building contractor services, including storage yards, if screened	YES	YES
10	Civic, social, and fraternal associations	YES	YES
11	Delicatessens	YES	YES
12	Dry cleaning and laundry services	YES	YES
13	Equipment rental and leasing, does not include heavy construction equipment	YES	YES
14	Hotels	YES	YES
15	Laundry, self-service	YES	YES
16	Lumber yards	YES	YES
17	Mini-storage warehouses	YES	YES
18	Motorcycle sales and service	YES	YES
19	Personal service shops	YES	YES
20	Printing and publishing	YES	YES
21	Professional Offices	YES	YES
22	Recreational vehicle sales lots	YES	YES
23	Restaurants	YES	YES
24	Retail stores and shops, including department and variety stores as listed in ACC Section 18.30.020(WW 1-32).	YES	YES
25	Re-upholstery and furniture repair	YES	YES
26	Storage warehousing, limited to being incidental to principal permitted use on property	YES, EXCEPT WHERE RETAIL REQUIRED PER CONDITION 5	YES
27	Truck sales with repair as	YES	YES

	secondary use		
28	Health and physical fitness clubs	YES	YES
29	Household movers and storage	YES	YES
30	Janitorial Services	YES	YES
31	Manufacturing, assembling and	YES	YES
31	packaging of articles, products and	120	120
	merchandise when conducted		
	entirely within an enclosed building		
	and if 1 job per 1,000 square feet is created.		
32	Printing, publishing, and allied	YES	YES
	industries including such processes as lithography, etching, engraving,		
	binding, blueprinting, photocopying,		
	and film processing		
33	Research, development and testing	YES	YES
34	Small appliance repair	YES	YES
35	Warehousing and distribution	YES, EXCEPT WHERE	YES
	facilities, to include wholesale trade	RETAIL REQUIRED	
	not open to the general public. This	PER CONDITION 5	
	includes motor freight		
	transportation as an incidental use		
	but specifically excludes motor		
	freight transportation as the		
	principal use of the property		
36	Other uses may be permitted by	YES	YES
	the Planning Director if the use is		
	determined to be consistent with		
	the intent of the Fiorito Business		
	Park Zone and is of the same		
:	general character of the uses		
	permitted in this list		

DESIGN STANDARDS FIORITO BUSINESS PARK REZONE

I. STANDARDS APPLICABLE TO SITE DESIGN

A. Parking Lots

1. Surface lots shall have a planter bed that includes at least one tree, a minimum of two inch caliper at the time of planting, shrubs, and groundcover.

B. Pedestrian Walkways

- 1. Pedestrian connections not less than five (5) feet wide shall be provided through parking lots to building entrances and sidewalks.
- 2. Pedestrian connections shall be clearly defined by textured paving, including across vehicular lanes, such as scored concrete, stamped concrete, or unit pavers.

C. Lighting

- 1. Only City approved standard fixtures shall be uses for public sidewalk lighting.
- 2. All site lighting shall be shielded from producing off-site glare and so that the direction of the light is downward.
- 3. The maximum height allowed for parking lot lighting is 24 feet.
- 4. Site lighting should be appropriate to create adequate visibility at night, evenly distributed to increase security, and coordinated with adjacent landscaping to avoid casting long shadows.

D. Screening of Trash and Service Areas

- 1. Trash and service areas shall be placed away from streets.
- 2. All service, loading, and trash collection areas shall be screened by a masonry fence and planting, with similar character to the design of the building it serves.

II. STANDARDS APPLICABLE TO BUILDING DESIGN

A. Entrances

- 1. Main entrances should be oriented so they are visible to the public right-of-way.
- 2. Building entrances shall have awnings a minimum of four (4) feet deep and cover the entire door width.

B. Landscaping adjacent to Building(s)

1. To provide visual transition of the joining of a building to the site, a minimum four (4) foot landscape space between the exterior wall and the horizontal paved surfaces, except at entrances/exits, loading docks, and service entries

shall be provided. A mix of evergreen and deciduous trees, shrubs, and ground cover shall be included.

C. Building(s) Facades

- 1. All new buildings shall include on the façade visible from the public street, public recreational facilities, or the freeway shall the following:
 - a. Varied courses or panel of material
 - b. Articulated wall panels with accentuated joints, edges, or reveals visible from the street.
 - c. Windows, doors, or other openings over at least 20 percent of the building.
 - d. Articulated roofline or building base.
- D. If concrete blocks (concrete masonry units or "cinder blocks") are used for walls that are visible from a public street/freeway, public recreational facility, or pedestrian route, then the concrete block construction must be architecturally treated in one or more of the following ways:
 - 1. Use of textured blocks with surfaces such as split-face or grooved.
 - 2. Use of colored mortar.
 - 3. Use of other masonry types, such as brick, glass block, or tile, in conjunction with concrete blocks.
 - 4. Use of decorative coursing to break up blank wall areas.
- E. If concrete tilt-up structures are used for walls that are visible from a public street/freeway, public recreational facility, or pedestrian route, then the concrete wall must be architecturally treated in one or more of the following ways:
 - 1. Provided a textured scale to be visually perceptible at the distance viewed by the public
 - 2. Provide a pattern or composition created by casting relief in the exposed face of the concrete.
 - 3. Create compositions with horizontal profile; a repetitive pattern applied to multiple panels is acceptable.

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BEFORE THE HEARING EXAMINER FOR THE CITY OF AUBURN

Phil Olbrechts, Hearing Examiner

RE: Fiorito Business Park

Rezone
REZ09-0003

FINDINGS OF FACT, CONCLUSIONS
OF LAW AND RECOMMENDATION.

INTRODUCTION

The applicant has requested a rezone of an approximately 10-acre parcel from C-3 (Heavy Commercial) to BP (Business Park). The Examiner recommends approval of the request with conditions.

ORAL TESTIMONY

Ms. Chamberlain noted that the SEPA comment period had ended the day before and no comments were supplied.

Gary Volchok, applicant's representative, testified on the history of the property. He noted that the Fiorito brothers used to own the adjoining Costco property. He noted that as part of the short plat to create the Costco property, the Fiorito brothers installed all utilities including stormwater, but that due to a change in stormwater regulations additional stormwater facilities will have to be installed. He noted that he was in general agreement with the staff recommendation and appreciates the work of the staff in the past year and a half in processing the application. He noted that originally in 2005 and 2006 when the City did some major rezoning of the area, the planning department approved maintaining the property as M-1 but the Council changed the designation to commercial in order to generate sales taxes. Subsequently the owners have tried to sell the property to several users without any success. When the property was zoned M-1 in 2004, the applicant acquired SEPA and grading permit approval for a boat-manufacturing operation, which is shown on the conceptual site plan. The conceptual site plan will probably not reflect what is actually built, but the planning director will have final authority on the site plan. Property to the north of the property is all wetlands. Fortunately, the floodplain is also confined north of the property.

Mr. Volchok noted that only 0.3% of City land is vacant industrial land. There are 2861 gross acres of M-1 land. In reality, if you remove wetlands, railroad property and nonindustrial uses, there is only 35 acres left to be developed. There is 1432 acres of C-3 zoning. He noted that driving along SR 167 from SR 18 to 277th he counted 22 realtor signs for available C-3 properties. These were empty lots with excellent exposure, easy access, and excellent synergy with surrounding uses.

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Mr. Volchok noted that originally the staff recommended a text amendment to allow BP uses in the C-3 zone. A significant amount of work went in to preparing for a hearing on this amendment and then it was discovered that the text amendment would affect all C-3 property. The solution was to rezone the property to BP as proposed.

Mr. Volchok noted that the only BP property in the City is the 18-acre Opus property located on SW 15th near the Supermall. It is 100% developed. Consequently, rezoning the applicant's property as requested would be a public benefit because there is no BP zoning and there is very little M-1 property. Part of this shortfall in M-1 property was due to adoption of the City's wetlands ordinance.

For a viable C-3 parcel you need good visibility, good access, and synergy with like users. The applicant's property has none of the three. Mr. Volchok took pictures going east, west, north, and south along adjoining roads, SR 167 and 15 NW. Using the photos Mr. Volchok demonstrated that you can only see the applicant's property until you get to M Street from 15th NW. The Opus property has excellent visibility from adjoining roads. On access, the only way in and out of the property is M Street. Mr. Volchok noted that there is a very high volume of traffic along 15th, making it very difficult to turn onto M Street. He noted that the City of Auburn and WSDOT have advised that a traffic light at the M Street/15th NW intersection would not be permitted due to its proximity to the on ramp to SR 167. On synergy, the OPUS property has the Supermall, office space, etc., for excellent synergy. Mr. Volchok noted that there is no synergy at the applicant's property. The property is surrounded by wetlands and a creek and 29th NW is closed.

Mr. Volchok stated that the access road to the property is fully improved and that he does not understand why staff wants to recommend additional improvements.

Mr. Volchok noted that the applicant has tried for four or five years to sell the property for a C-3 use and that even in the height of the real estate boom in 2007, no one would want to use it for that purpose because of the problems he described. Mr. Volchok referred to the letters from James Hamm and Patrick Gemma in Exhibit 19, both experts on real estate development, who both conclude in their letters that the property is not fit for commercial use.

In response to questions from the Examiner on the accuracy of the conceptual site plan, Mr. Volchok responded that it was not possible at this time to provide anything more concrete. Mr. Volchok noted that the actual building will be considerably smaller than that characterized in the conceptual site plan, because the commercial uses will generate more parking. Mr. Volchok also pointed out that the proposal does involve a designation of a set of uses. Mr. Volchok also noted that the proposal also included a higher standard of construction in order to ensure a resulting public benefit.

Paul Cyr, another applicant representative, noted that the site plan is recommended by staff and has some uses attached to it. The proposal includes a maximum square footage of 92,000 square feet. The proposal also identifies development standards that will be exceeded as part of the proposal, including design standards. Design standards otherwise do not apply to the C-3 zone.

Mr. Cyr noted that finding of Fact No. 16 of the staff report requires frontage improvements. He noted that the road is already fully developed and met the standards vested under the Costco short plat. The primary difference between what was built and what is required by staff is a bike lane. Mr. Cyr also noted that if a bike lane were included it would be isolated and not part of any bike lane network. Mr. Seek also noted that there was insufficient right-of-way (paved portion of the road) for a bike lane. The Interurban Trail does run along the back side of Costco. Ms. Chamberlain commented that one way to connect to the Interurban Trail would be to run the bike lane along M Street to the Trail.

Mr. Cyr also took issue with the staff recommendation that at least 25% of the building be retail. Mr. Cyr noted that this recommendation was located at Page 6 of the staff report but it was not incorporated into the recommended conditions of approval. Mr. Cyr recommended that the flexibility for retail should be retained and that any retail should be located in the front, but that there should be no minimum retail requirement.

Mr. Cyr also noted that in Exhibit 13, item 26 and item 35 limit storage and warehousing to the rear portion of the building and that this was not consistent with everyone's understanding that warehousing was generally allowed throughout the building.

Randy Fiorito, president of Fiorito Brothers. He testified that Fiorito Brothers has owned the property since the late 1960s. They were involved in building in SR 167 which is how they acquired the property. Fiorito Brothers completely rebuilt M street when they sold the Costco property. Fiorito Brothers owns 35% of the property and his mother owns the rest. They have desperately been trying to sell the property for several years. Considerable money was spent on the Costco property and they are in the process now of installing drainage facilities and fill material.

Mr. Volchok clarified that the property was last rezoned in 2006. He also confirmed that the commercial retail market has plummeted since that rezone.

Ms. Chamberlain noted that curb and gutter for M Street would not be necessary, but that bike lanes and street trees may still be required under current street standards. Ms. Chamberlain noted that the City recently updated its Comprehensive Transportation Plan to identify a bike lane along M Street to connect to the Interurban Trail. She noted that the bike lane connection would be along M Street through 29th to the Interurban Trail. She noted that although 29th street is currently closed, it will eventually be opened again.

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on the 25% number.

specifying specific bike lanes, etc.

Mr. Cyr noted that he served for eight years as a Pierce County Council member from 1997 to 2004 during which time a comprehensive plan was adopted. He stated that the Auburn City Council passed a resolution addressing the streamlined sales tax and he suspects that the adoption of this resolution prompted the City Council to look for ways to attract more tax revenue. He noted that the resolution does not have the force of law and is just an expression of intent and is not binding on the applicant's proposal. Ms. Chamberlain noted that the resolution has been embedded into the City's comprehensive plan and through the plan does have regulatory authority over development projects.

Ms. Chamberlain noted that the total square feet of the project may not exceed 95,000 square feet. She noted that the 25% limitation on retail space was intended to be in

the conditions of approval and should be added. Ms. Chamberlain said that the need for the retail is a balancing of the goals and policies of the City. She noted that the

City cannot continue to have warehousing due to the impacts on the City's arterial

network with no off-setting tax benefit. She stated that staff was willing to negotiate

requirement for the first 20 interior feet of the building from the front of the building be retail, as required for Opus in pages 13-14 of Ordinance No. 5607, would be

acceptable. Ms. Chamberlain explained that there is only one BP use in the City currently because the BP designation is a contract rezone process that only works in

specific locations and the rezone must be initiated by the property owner. Ms.

Chamberlain noted that about 18% of the City is industrial and that a substantial part of it is developed, but there is potential for redevelopment. She stated that the City

has determined that the City is balanced in its proportion of industrial to commercial land. Ms. Chamberlain stated that staff would be agreeable to modifying Exhibit 13

to allow warehousing and storage throughout the building except the front, instead of limiting it to the rear of the building. Ms. Chamberlain also said staff would be

agreeable to having the conditions require frontage "according to code" as opposed to

She said that replacing the 25% of the building with a

Mr. Volchok noted that Auburn lost a tremendous amount of development potential when it adopted its wetlands regulation in 1987. He noted that it took him 10 years to get an Army Corp wetlands permit for another Fiorito project. He also noted that he does not believe in his lifetime that funding will ever be found to open 29th, given the creek and railroad crossing that would be involved.

EXHIBITS

All exhibits listed in the Exhibit List at Page 9-10 of the staff report on this application, dated 2/3/10, are admitted. In the addition, the following exhibits were admitted during the hearing on this matter:

Exhibit 16 Affidavit of Publication (on published notice of hearing). Exhibit 17 Auburn Ordinance No. 4962

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Rezone

p. 4 Findings, Conclusions and Decision

- 11					
1 2	Exhibit 18 Auburn Ordinance No. 5607 Exhibit 19 Hamm/Gemma Correspondence, Applicant Photos. Exhibit 20 Volchok written comments.				
3	FINDINGS OF FACT				
4	Procedural:				
5	1. Applicant. The applicants are the Fiorito Brothers, represented by Gary				
6	Volchok.				
7	2. <u>Hearing</u> . The Hearing Examiner conducted a hearing on the application at 5:30 p.m. at Auburn City Hall in the Council Chambers on February 17, 2010.				
8 9	Substantive:				
10	3. <u>Site/Proposal Description</u> . The applicant has applied for the rezoning of				
11	an approximate 10-acre parcel from C-3 (Heavy Commercial) to BP (Business Park). The property was zoned Heavy Commercial in order to encourage retail use in an area				
12	that is proximate and visible to SR 167. The applicant has found that the area is no				
13	suitable for exclusive retail use and wishes to rezone it to BP in order to allow for mixture of retail and other uses such as industrial.				
14	In order to acquire approval of a rezone to BP, the applicant must acquire approval of				
15	a contract rezone that incorporates a conceptual site plan. ACC 18.36.020. The planning director shall approve the final site plan. The applicant acknowledges that				
16	his conceptual site plan is based upon one proposed industrial use from several years ago and will have little relation to what will actually be developed. There was some				
17	testimony to the effect that the site plan establishes a maximum building area of 95,000 square feet, but this limitation is already included in the recommended				
18	conditions of approval. The site plan presented by the applicant appears to be completely meaningless. The applicant has agreed to enhanced design requirements				
19	that would not otherwise be applicable. These are outlined in Exhibit 14. The applicant has also agreed to a limited set of uses for the property, which are outlined				
20	in Exhibit 15.				
21	4. <u>Characteristics of the Area</u> . The site is adjoined by SR 167 to the west, a				
22	Costco distribution facility on the east, an undeveloped wetlands and floodplain area to the north, and 15 th St. NW to the south. Emerald Downs is located east of the				
23	Costco facility. M Street only connects to 15 th St. NW. Assessor and other maps show that M street loops into 29 th Street, but 29 th Street is closed. As noted by the				
24	applicant, the project site is fairly isolated from any other use. There is conflicting evidence on whether the project site is visible from SR 167, with staff stating that it is				
25	visible, in particular going southbound on SR 167 while the applicant presented photos (Ex. 19) that it is not. The photos do not show what can be seen at auto level,				

5. Public Benefit. A critical requirement for approval of a BP designation is that it must result in a public benefit. The applicant has made a compelling argument that the property cannot be developed as a C-3 use. In addition to all the evidence presented by the applicants, there is also the common sense conclusion that if they could have sold the property as C-3, they would have done so given the value of that type of property. As a baseline, therefore, it must be acknowledged that there is a public benefit to the proposed rezone simply because it will facilitate the development of vacant land in an urban area. This promotes the creation of jobs and an increase in real property taxes. The use limitations and design standards agreed to by the applicant (Exhibits 13 and 14) further add to public benefit by enhancing the compatibility of the development with surrounding uses and enhancing the aesthetic values of that development.

The one downside to the rezone is that it facilitates industrial use, which the City believes to create a demand on public services (mainly street wear and tear by industrial vehicles) with no off-setting generation of public revenue through a sales tax. The staff requirement for a mix of retail and industrial use off-sets this downside. During the hearing staff and the applicant agreed upon language similar to that specified pages 13-14 of Ordinance No. 5607 where it designates a minimum amount of retail use. Although the parties came to agreement on some of this language, the portion agreed upon does not stand upon its own. The parties agreed to a minimum requirement of 20 feet of interior space from retail windows without agreeing upon how much window space is required. The Examiner will include the amount of window space specified in Ordinance No. 5607 as well.

Given the lack of marketability of the property as a C-3 use and the design standards and use limitations agreed to by the applicant, the proposal creates a net public benefit.

6. Adverse Impacts. As noted above, the proposal will create a net public benefit. As noted during public testimony, the project area recently went through short plat review. This short plat review required full infrastructure improvements and mitigation for commercial use of the subject lot. As noted by the applicants, most of the improvements they have made satisfy all current development standards, but there will be some improvements in response to changes in stormwater standards. Staff have also noted that some street improvements may be necessary, in particular the addition of a bike lane to M Street as contemplated in the recently updated its Comprehensive Transportation Plan, which now identifies a bike lane along M Street as connecting to the Interurban Trail. All of these infrastructure improvements are minor enough to be addressed at the site plan review stage of approval. Given some of the issues associated with the connectivity of the bike lane, the bike lane requirement is also best left to the site plan review stage when there may be more information available about future connectivity.

{PAO768723.DOC;1\00083.900000\}

There are no adverse impacts discernable from the record given that infrastructure improvements can be adequately addressed at site plan review, that there are no environmentally sensitive areas associated with the site, and that there are no compatibility problems with adjoining land uses.

CONCLUSIONS OF LAW

Procedural:

1. <u>Authority of Hearing Examiner</u>. ACC 18.68.030(B)(1)(a) grants the Hearing Examiner with the authority to review and make a recommendation on rezone requests to the City Council if the planning director determines that the rezone requests are consistent with the comprehensive plan. The planning director has determined that the rezone request is consistent with the comprehensive plan. The comprehensive plan land use map designation for the property is Heavy Commercial with an overlay of "region serving." ACC 18.36.010 provides that the BP zone may be established in any area designated "region serving" that is zoned commercial or industrial.

Substantive:

- 2. Zoning Designation. The property is current zoned C-3 (Heavy Commercial).
- 3. <u>Case Law Review Criteria and Application</u>. Washington appellate courts have imposed some criteria themselves, requiring that the proponents of a rezone must establish that conditions have substantially changed since the original showing and that the rezone must bear a substantial relationship to the public health, safety, morals or welfare. *See Ahmann-Yamane*, *LLC v. Tabler*, 105 Wn. App. 103, 111 (2001). If a rezone implements the Comprehensive Plan, a showing that a change of circumstances has occurred is not required. *Id.* at 112.

As discussed in the staff report, there is no question that the project is consistent with the comprehensive plan. The requirement for retaining some retail use along with the industrial use helps to support Auburn's role as a regional employment and commercial center as contemplated by Policy LU-3. The design standards agreed upon by the applicant in conjunction with the frontage retail requirement is consistent with the LU-109 prohibition on placing industrial uses in highly visible areas (if the area even qualifies as highly visible – as noted previously the evidence on this issue is incomplete). The rezone facilitates the development of the vacant land into uses that will create jobs, as consistent with Policy ED-8.

Although the policy may be consistent with the Comprehensive Plan, it is debatable whether it "implements" the Comprehensive Plan. The current C-3 designation is also consistent with the Comprehensive Plan. It is unclear from the case law whether changing from one consistent use to another qualifies as "implementing" the plan.

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The courts use of the term "implement" the Plan instead of the standard requirement for consistency with the Plan suggests that something more is required. The only reasonably plausible "something more" is that the change is necessary for consistency with the plan. Given that a rezone is not necessary to achieve consistency with the Comprehensive Plan, a change in circumstances is necessary. The severe downturn in the commercial real estate market, as testified by Mr. Volchok, qualifies as a change in circumstances since the last rezone of the property in 2006.

Since the proposal will result in a net public benefit as discussed in the Findings of Fact, it bears a substantial relationship to the public health, safety, morals or welfare as required by the case law cited above.

- 4. <u>Code Requirements for Approval of a BP Rezone</u>. Although Auburn's municipal code does not provide any review standards for rezones in general, there are specific standards that apply to rezones to the BP designation. These standards are identified in Chapter 18.36 ACC. Relevant standards are quoted below with accompanying analysis in conclusions of law.
- ACC 18.36.020(A)(1): Conceptual approval of a business park shall be applied by the rezone process as specified in ACC 18.68.030(B)(1)(a). The rezone shall be a contract rezone and shall include an agreement that establishes the type, square footage and general location of the uses; the location and size of the park; restrictive covenants; public improvements; and the responsibilities of the owner/developer.
- 5. As mentioned previously, the conceptual site plan offered by the applicant is worthless, since the applicant and staff both acknowledge that the project will probably not bear any resemblance to what is diagramed in the site plan. However, it should be recognized that no site plan is actually required by ACC 18.36.020(A)(1) at this stage of review. Exhibits 13 and 14, in conjunction with the 95,000-square-foot size limitation and the boundaries of the subject parcel provide the information required by ACC 18.36.020(A)(1). It is a little puzzling why the applicant has presented any actual site plan, since all it accomplishes is confusion. It is understood that the site plan helps establish a maximum building area for the project, but if that is all it is used for, its purpose must be more clearly expressed.
- ACC 18.36.020(A)(2): A BP district shall only be approved when the owner/developer has demonstrated that a public benefit will result and the project contains architectural, site, and landscape design standards that are significantly superior to those typically required in the other industrial and commercial zones.
- 6. As noted in Finding of Fact No. 5, the project creates a net public benefit. A comparison of the standards agreed upon by the applicant (Exhibit 13) to those required in other industrial and commercial zones reveals that they are significantly superior.

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ACC 18.36.020(A)(3): No significant impacts on the public infrastructure shall occur that cannot be effectively mitigated by the development of the business park.

7. As discussed in Finding of Fact No. 6, infrastructure improvements will be relatively minor and can be addressed during site plan review.

DECISION

The Hearing Examiner recommends approval of REZ09-0003, subject to the following condition:

- 1. A lot line elimination shall be processed concurrently with the final site plan approval.
- 2. The applicant shall submit a traffic impact analysis, storm drainage report, and wetland report as part of the final site plan approval process.
- 3. The permitted uses shall be those uses identified in Exhibit 13 with the exceptions previously noted. Items 26 and 35 of Exhibit 13 are revised to allow the specified uses throughout the buildings of the project except in the areas required for retail use.
- 4. The project shall comply with the design standards as outlined in Exhibit 14. As part of the final site plan submittal and review process, the applicant shall submit building elevations demonstrating how the proposed building complies with the Fiorito Business Park Design Standards.
- 5. The general location of the proposed building to be developed on the subject site shall be consistent with the conceptual site plan dated February 5, 2010. The total area of any proposed building shall be limited to 95,000 square feet. The proposed storm drainage facility may increase depending on the outcome of the final site plan review which could impact location of parking spaces and will be reviewed as part of the final site plan review process. The project shall comply with the retail space requirements of Condition 2(B)(1) of Auburn Ordinance No. 5607.
- 6. A master landscape plan shall be prepared for the entire project site. A minimum ten-(10)-foot-wide landscape area shall be constructed along the M Street NW as it rises to intersect 15th Street NW and shall be designed in an innovative way to create a gateway into the project. The master landscape plan shall be prepared and submitted as part of the final site plan process.
- 7. A master sign plan shall be prepared and approved by the City that coordinates the exterior signs of the individual tenants. The sign regulations outlined in ACC Chapter 18.56 for the C-3 zone shall apply for size, height, and number of signs permitted. Signage shall be part of the architecture of the building and not an afterthought; however, the architectural design of the tenants' logos is not intended to

{PAO768723.DOC;1\00083.900000\}

be altered by this condition. The master sign plan shall be prepared and submitted as part of the final site plan process.

- 8. All exterior lighting shall be designed and constructed such that the direct illumination does not unreasonably spill over on adjoining properties. The exterior lighting shall be coordinated for the site, including both parking lot lighting and building lighting. The exterior lighting plan shall be prepared and submitted as part of the final site plan process.
- 9. Pedestrian walkways shall be provided that connect the parking areas to building entrances. Pedestrian connections shall be clearly defined by textured paving, including vehicular lanes, such as unit pavers, stamped concrete, or scored concrete. These walkways shall be shown on the final site plan.
- 10. The concept of a recreational trail adjacent to the wetland area on Parcel 1221049041 shall be part of the final site plan review process and potential connection to the Interurban Trail explored.
- 11. Amendments to this Business Park rezone may occur as follows:
- a. The Planning Director may interpret the words and meaning of the certain conditions in order to resolve conflicts in implementation.
- b. If changes to the language of the rezone are required, such proposed changes shall be reviewed by the Planning and Community Development Committee of the City Council, or its successor. If the change is minor—less than 10% change—then the Committee shall make a recommendation to the City Council. If the change is major—greater than 10% modification—then the Committee shall refer the change to the Hearing Examiner. The Hearing Examiner shall conduct a public hearing and make a recommendation to the City Council.
- c. Amendments to the rezone shall only be initiated by the property owner of the City.

Dated this 1st day of March, 2010.

hil Olbrechts

City of Auburn Hearing Examiner



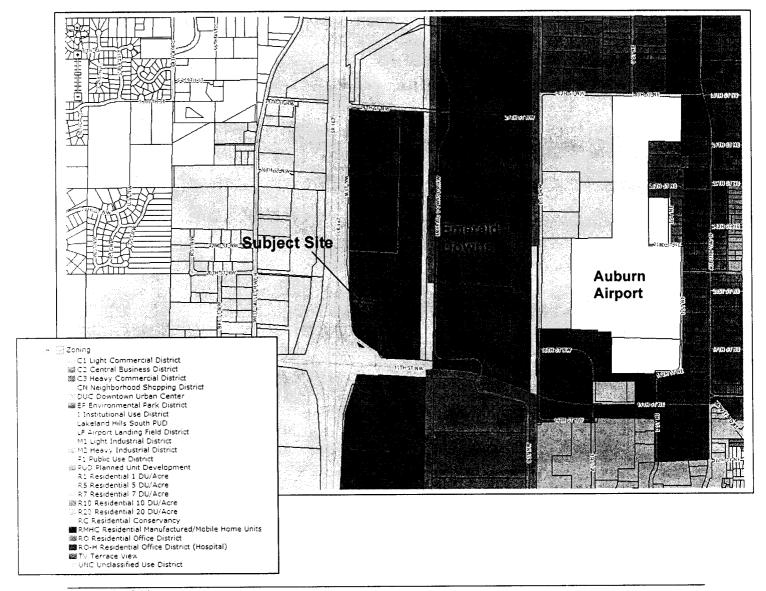
AGENDA BILL APPROVAL FORM

Agenda Subject: Fiorito Busi REZ09-0003	ness Park Rezone	; Application No.	Date: February 3, 2010	
Department: Planning and Development	Attachments	: See Exhibit List	Budget Impact: N/A	
Administrative Recommendation: The Hearing Examiner recommends approval to the City Council of the Fiorito Business Park Rezone along with the staff recommended conditions of approval.				
Background Summary:				
OWNER/APPLICANT: Applicant: Gary Volchok, CB Richard Ellis 701 Pike Street, Suite 210 Seattle, WA 98101 Owner: Fiorito Brothers, 1100 NW Leary Way, Seattle, WA 98107				
REQUEST:	Rezone approximately 10 acres from C-3, Heavy Commercial, to BP, Business Park			
LOCATION: 1050 M Street NW; Parcel Numbers: 1221049041, 1221049042, and 1221049043		049041, 1221049042, and		
EXISTING LAND USE:	Vacant	/acant		
COMPREHENSIVE PLAN DESIGNATION:	Heavy Commercia	al		
SEPA STATUS:	DNS issued on Ja	anuary 18, 2010		
☐ Airport ☐ F ☐ Hearing Examiner ☐ M ☐ Human Services ☐ P	NCIL COMMITTEES: inance lunicipal Serv. lanning & CD ublic Works	Reviewed by Departn ☐ Building ☐ Cemetery ☐ Finance ☐ Fire ☐ Legal ☐ Public Works ☐ Information Service	M&OMayorParks⊠ PlanningPolice☐ Human Resources	
Action: Committee Approval: Council Approval: Referred to Tabled				
Councilmember: Meeting Date: February 17,	2010	Staff: Chamberlain Item Number:		
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Date: February 3, 2010

The Comprehensive Plan designation, zoning designation and land uses of the surrounding properties are:

	Comprehensive Plan	Zoning	Land Use
Project Site	Heavy Commercial	C-3, Heavy Commercial	Vacant
North	Heavy Commercial	C-3, Heavy Commercial	Vacant
South	Light Industrial	EP, Environmental Park District	15 th Street NW
East	Heavy Commercial	C-3, Heavy Commercial	Costco Wholesale warehouse
West	Light Industrial	M-1, Light Industrial	SR -167



Agenda Subject: Fiorito Business Park Rezone; Application No. Date: February 3, 2010

REZ09-0003

FINDINGS OF FACT:

 Gary Volchok, CB Richard Ellis, on behalf of Fiorito Brothers Inc., has applied for a contract rezone for a 10 acre property located at 15th Street NW and M Street NW, approximately 1500 M Street NW.

- 2. A Comprehensive Plan Text amendment was applied for concurrently with the rezone on June 17, 2009. However, after further review of the requested land use action and the Auburn City Code, staff determined that a text amendment was not necessary.
- 3. The Business Park (BP) Zone is allowed pursuant to Auburn City Code (ACC) Chapter 18.36 and is intended to provide a suitable area for industrial, professional office, service, and commercial uses within a planned, well managed site with high quality development standards.

It is also the intent of this district to allow flexibility with regard to development standards and uses if the flexibility results in an atmosphere of superior architectural, site and landscape design. This district may be applied to any site within the city designated as "region serving" in the comprehensive plan, which is zoned commercial or industrial. In addition, the comprehensive plan identifies specific locations appropriate for business park development.

The subject site is within the City's "region serving area" (Exhibit 15) and has a commercial zoning designation.

4. The C-3 (Heavy Commercial) zone allows for a variety of uses ranging from automobile sales to professional offices (see ACC 18.30.020). The intent of the C-3 zone is,

"The intent and objective of the C-3 district classification and its application is to provide for the location of and grouping of enterprises which may involve some on-premises retail service but with outside activities and display or fabrication, assembling, and service features. This zone is intended to accommodate uses which are oriented to automobiles either as the mode or target or producing the commercial service. The uses enumerated in this classification are considered as having common or similar performance standards in that they are heavier in type than those uses permitted in the more restrictive commercial classifications."

5. The intent of the M-1 (Light Industrial) zone is,

"The purpose of the M-1 light industrial zone is to accommodate a variety of industrial, commercial, and limited residential uses in an industrial park environment, to preserve land primarily for light industrial and commercial uses, to implement the economic goals of the comprehensive plan and to provide a greater flexibility within the zoning regulations for those uses which are non-nuisance in terms of air and water pollution, noise, vibration, glare or odor. The light industrial/commercial character of this zone is intended to address the way in which industrial and commercial uses are carried out rather than the actual types of products made.

The character of this zone will limit the type of primary activities which may be conducted outside of enclosed buildings to outdoor displays and sales. Uses which are not customarily conducted indoors or involve hazardous materials are considered heavy industrial uses under this title and are not appropriate for the M-1 zone. An essential aspect of this zone is the need to maintain a quality of development that attracts rather than discourages further investment in light industrial and commercial development. Consequently, site activities which could distract from the visual quality of

Agenda Subject: Fiorito Business Park Rezone; Application No. REZ09-0003

development of those areas, such as outdoor storage, should be strictly regulated within this zone."

Date: February 3, 2010

- 6. Pursuant to ACC Section 18.36.030, uses listed as permitted, administrative, and conditional in the M-1 zone and uses listed as permitted in the C-3 zone may be considered for a Business Park zone. The applicant requests a variety of uses be permitted as part of the Business Park including warehousing and manufacturing. Please see Exhibit 12 for the complete list of recommended permitted uses by staff and Exhibit 3 for the complete list of uses proposed by the applicant.
- 7. There are specific development and supplemental development standards that are applicable to a Business Park zoned property outlined in ACC Sections 18.36.050 and 18.36.060.
- 8. As part of a Business Park rezone, a conceptual site plan is required. If the rezone is approved by the City Council then a final site plan is submitted to the Planning Director for review and approval. The conceptual site plan shows an approximate 95,250 square foot building with associated parking, landscaping, and storm drainage facilities. As a tenant has not been identified for this site, detailed analysis of parking, traffic, and storm drainage facilities will be done when there is a tenant.
- 9. A goal of the Business Park zone, as stated above, is to provide a location for a mix of uses that could include retail, office, or warehouse.
- 10. Pursuant to ACC 18.68.030 and 18.68.040, all applications for a rezone shall be reviewed by the Planning Director prior to the scheduling of a public hearing. After review of the application, the Director shall determine which of the following two processes should occur to properly hear the rezone:
 - a. If the rezone is consistent with the comprehensive plan, then the Hearing Examiner shall conduct a public hearing on the rezone and make a recommendation to the City Council pursuant to ACC 18.66.170.
 - b. If the rezone is in conflict with the comprehensive plan, or there are no policies that relate to the rezone, or the policies are not complete, then a comprehensive plan amendment must be approved by the City Council prior to the rezone being scheduled for a public hearing in front of the Hearing Examiner. The Planning Commission shall conduct a public hearing on the comprehensive plan amendment and make a recommendation to the City Council.

This application is consistent with the comprehensive plan, as outlined below in the conclusions portion of the staff report and is therefore being processed pursuant to Process A specified above.

- 11. The applicant filed an environmental checklist that addressed the comprehensive plan amendment and rezone. The checklist was revised on June 23, 2009 to identify adjacent critical areas (Exhibit 5).
- 12. On January 18, 2010, the SEPA Responsible Official issued a Determination of Non-Significance (DNS) for the proposed Business Park rezone. The comment period ended February 2, 2010 with no comments received and the appeal period ends February 16, 2010 (Exhibit 6).
- 13. Pursuant to ACC 18.68.040, notice of a public hearing shall be given at least 10 days prior to the public hearing and in accordance with ACC 14.07.040. The public hearing notice was published in the Seattle Times on February 3, 2010, provided to the property owners within 300 feet of the subject site, and posted on the subject property meeting this requirement (Exhibit 9).

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REZ09-0003

14. The City Council changed their role in quasi-judicial approvals giving that authority to Hearing Examiner to make decisions with the adoption of Ordinance No. 6184 on October 6, 2008. Since rezones are approved by Ordinance the City Council is still the decision maker on rezones with the Hearing Examiner making a recommendation on the proposal.

Date: February 3, 2010

- 15. As part of the 2006 Annual Amendments to the Comprehensive Plan, the City initiated several land use map changes from an industrial designation to a commercial designation. The subject property was part of those amendments with the City Council approving a land use change from Light Industrial to Heavy Commercial along with a subsequent rezone from M-1 to C-3. After four years of not being able to secure a tenant for the site under the C-3 zoning, the applicant requested a Business Park rezone in order to allow additional uses, primarily industrial.
- 16. M Street NW abutting the subject property to the west is a non-residential collector and this road classification supports the rezone request. However the current roadway is not constructed to current non-residential collector street standards. Any future development of the subject site will require frontage improvements at a minimum includes curb, gutter, sidewalk, street trees, street lights, and a bike lane.
- 17. The subject sites access is from M Street NW which ties into 15th Street NW. This intersection is located within approximately 350 feet to the 15th Street NW/SR-167 on/off ramps, which are controlled by the Washington State Department of Transportation. Once a tenant has been identified and the final site plan submitted for review, the City will further analyze the traffic impacts of the project and identify appropriate traffic mitigation that may be warranted as a result of the tenant.

CONCLUSIONS:

ACC Chapter 18.68 provides certain criteria for approval of a rezone and ACC Chapter 18.36 has specific requirements that shall be met for approving a Business Park zone:

1. The rezone must be consistent with the Comprehensive Plan.

Comment

Policy LU-3 states that areas on the valley floor which are suitable to support large scale economic development project should be reserved, for the most part, for uses which support Auburn's role as a regional employment and commercial center (to be known as the Region Serving Area). The subject site is within the designated Region Serving Area and proposed to be developed with a 95,000 square foot building that will support a range of commercial and industrial type uses.

Policy LU-109 states that highly visible areas (lands visible from SR-167 or SR-18) which tend to establish the image of the city should not be used by heavy industrial uses. The subject site is visible from SR-167, particularly from the southbound direction. Staff recommends several design standards be applied to the development of this site as part of the contract rezone to insure that the project has a high quality visual appearance.

Policy ED-8 states that Auburn should continue to provide an economic base not only for the Auburn area but also for the south King County and north Pierce County region. The subject site is located centrally in Auburn and will provide a range of commercial and industrial uses that will provide jobs and economic growth within the region.

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The Economic Development chapter of the Comprehensive Plan discusses the impacts of Streamlined Sales Tax on the City of Auburn. Auburn and similar cities have historically invested in infrastructure to support businesses engaged in warehouse and distribution activities. With the passage of streamlined sales tax, new warehouse and distribution facilities do not provide the sales tax revenue to support the infrastructure needs of these types of uses. The applicant proposes that warehouse and distribution is a permitted use as part of the business park. The Business Park zone states that uses in the C-3 and M-1 zones *may* be permitted in the Business Park zone. Under Finding 9, a goal of the Business Park zone is to provide a location for a mix of uses that could include retail, office, or warehouse. Staff recognizes that requiring only retail at this location has not proven successful; however, the recommendation is to permit only warehouse and distribution in the rear portion of the proposed building and require retail in the front portion of the building that is visible to SR-167. Under the recommended conditions of approval, staff requests that a minimum of 25% of the building be retail.

Date: February 3, 2010

Policy UD-9 states that the visual impact of large new developments should be a priority consideration in their review and approval. Staff's recommendation includes design standards for the project to develop under.

2. The rezone must be initiated by someone other than the City in order for the Hearing Examiner to consider the request.

Comment

The rezone has been initiated by the property owner, Fiorito Brothers Inc. and applicant, Gary Volchok.

3. Pursuant to ACC Section 18.36.020, a conceptual approval is the first step in a Business Park rezone. The rezone shall be a contract rezone and shall include an agreement that establishes the type, square footage, and general location of the uses; the location and size of the park; restrictive covenants; public improvements; and the responsibilities of the owner/developer.

Comment

The proposed business park is approximately 10 acres in size which meets the required minimum area as required under Section 18.36.050. At the conceptual site plan stage, the application proposes a single structure that is approximately 95,250 square feet. When a final site plan is submitted, staff is not opposed to multiple structures as long as the total square footage does not exceed 95,252 square feet.

As stated in the application materials (Exhibit 3), the applicant proposes several uses from both the C-3 and M-1 zoning districts. Staff concurs with the majority of the proposed permitted uses with the exception of bingo halls and cold storage plants (Exhibit 13). As discussed under response number 1, the Business Park zone states that uses in the C-3 and M-1 zones *may* be permitted in the Business Park zone. Under Finding 9, a goal of the Business Park zone is to provide a location for a mix of uses that could include retail, office, or warehouse. Staff recognizes that requiring only retail at this location has not proven successful; however, the recommendation is to permit only warehouse and distribution in the rear portion of the proposed building and require retail in the front portion of the building that is visible to SR-167. Under the recommended conditions of approval, staff requests that a minimum of 25% of the building be retail.

Frontage improvements will be required when the property develops and any necessary utility improvements depending on the tenant of the building (e.g. fire flow). As mentioned above under Finding 16, staff will review the traffic impacts once there is a tenant and a project is submitted for permits.

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4. Pursuant to ACC Section 18.36.020, a Business Park zone shall only be approved when the owner/developer has demonstrated that a public benefit will result and the project contains architectural, site, and landscape design standards that are significantly superior to those typically required in the other industrial and commercial zones.

Comment

The applicant proposes to construct a development similar to the Opus Park site, which was a Business Park, originally approved by the City Council in 1997 (Ordinance No. 4962) and subsequently revised in 2001 (Ordinance No. 5607), and located south of the SuperMall (See Section D of Exhibit 3). The applicant proposes the project site will have landscaping, a master sign plan, lighting, and architectural features similar to those constructed at the Opus Park site.

Date: February 3, 2010

Staff reviewed the proposed elements to the Fiorito Business Park Rezone and provided a comparison outlined below:

Required by Code	Applicant Proposal to Exceed Standard
a. Frontage landscaping – 5 foot width Type III	a. Proposal 10 foot width landscaping
b. Architectural elements – Comprehensive Plan policies to address visual impact of large developments however, City does not have design standards for the C-3 zone	b. Applicant proposes similar architectural features as the Opus Park site.
c. Parking lot landscaping – 100 square foot planter island every 10 stalls.	c. What shown on the conceptual site plan is code minimum.
d. Signs permitted individually by tenant	d. Applicant proposes to have a master sign plan for the business park.
e. Recreation facilities are not required as part of commercial development.	e. Provide a trail along the wetland buffer that could potentially connect to the Interurban Trail.

Staff concurs that the applicant's proposal exceeds the standards required by code in regards to landscaping, a master signage plan, and providing a trail. While the architectural elements are not a code requirement and the applicant is proposing similar project look to the Opus Park site, staff is concerned with some of the features at the Opus Park site such as blank walls, no awnings over business entrances, and the building scale appearance. Staff recommends design standards be applied to the project as outlined in Exhibit 14.

5. No significant impacts on the public infrastructure shall occur that cannot be effectively mitigated by the development of the business park.

Comment

The proposed Business Park is not anticipated to have significant impacts on the public infrastructure that cannot be effectively mitigated. There are existing utilities available to the project site; an 8 inch sewer main and 8 inch water main. Depending on the eventual tenant of the subject site, there could be a need to upgrade the water main to meet fire flow requirements. Frontage improvements will be required along M Street NW to meet the City's non-residential collector standards. As previously stated, a detailed traffic analysis will be provided and reviewed by staff at the final site plan stage and a tenant is identified.

6. If the approval of the business park requires a subdivision of the property, the preliminary plat may be processed concurrently.

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Comment

The business park does not require a subdivision of the property; however, a lot line elimination will need to be processed concurrently with the final site plan approval process to remove the parcel line going through the property building. Staff recommends a condition of approval to address this.

In addition, the Washington State Supreme Court has identified other general rules for rezone applications (see Parkridge v. Seattle, 89 Wn.2d.454; 573 P.2d 359 (1978)):

a. Conditions in the area must have changed since the original zoning was established if not consistent with the comprehensive plan.

Comment

The proposed business park rezone is consistent with the comprehensive plan as analyzed above under response number 1.

b. The proposed rezone must bear a substantial relationship to the general welfare of the community.

Comment

Also a requirement of the Business Park zone, the applicant must demonstrate a public benefit. The proposed rezone implements the City of Auburn Comprehensive Plan by providing economic development within the Region Serving Area of the City. By meeting the conditions of approval, the development will be constructed under design standards that would not otherwise be required if developed under the C-3 zone as well as providing additional landscaping, and potentially recreational facilities along the access road that could potentially connect to the Interurban Trail.

STAFF RECOMMENDATION

Based upon the application and Findings of Fact and Conclusions of the staff report, staff recommends that the Hearing Examiner recommend to the City Council approval of the rezone with the following conditions of approval:

- 1. A lot line elimination shall be processed concurrently with the final site plan approval.
- 2. The applicant shall submit a traffic impact analysis, storm drainage report, and wetland report as part of the final site plan approval process.
- 3. The permitted uses shall be those uses identified in Exhibit 13 with the exceptions previously noted.
- 4. The project shall comply with the design standards as outlined in Exhibit 14. As part of the final site plan submittal and review process, the applicant shall submit building elevations demonstrating how the proposed building complies with the Fiorito Business Park Design Standards.
- 5. The general location of the proposed building to be developed on the subject site shall be consistent with the conceptual site plan dated February 5, 2010. The proposed storm drainage facility may increase depending on the outcome of the final site plan review which could impact location of parking spaces and will be reviewed as part of the final site plan review process.

Agenda Subject: Fiorito Business Park Rezone; Application No. Date: February 3, 2010 REZ09-0003

6. A master landscape plan shall be prepared for the entire project site. A minimum ten (10) foot wide landscape area shall be constructed along the M Street NW property frontage. The expanded landscape area along the top of slope area of M Street NW as it rises to intersect 15th Street NW shall be designed in an innovative way and create a gateway into the project. The master landscape plan shall be prepared and submitted as part of the final site plan process.

- 7. A master sign plan shall be prepared and approved by the City that coordinates the exterior signs of the individual tenants. The sign regulations outlined in ACC Chapter 18.56 for the C-3 zone shall apply for size, height, and number of signs permitted. Signage shall be part of the architecture of the building and not an afterthought; however, the architectural design of the tenants' logos is not intended to be altered by this condition. The master sign plan shall be prepared and submitted as part of the final site plan process.
- 8. All exterior lighting shall be designed and constructed such that the direct illumination does not unreasonably spill over on adjoining properties. The exterior lighting shall be coordinated for the site; including both parking lot lighting and building lighting. The exterior lighting plan shall be prepared and submitted as part of the final site plan process.
- 9. Pedestrian walkways shall be provided that connect the parking areas to building entrances. Pedestrian connections shall be clearly defined by textured paving, including vehicular lanes, such as unit pavers, stamped concrete, or scored concrete. These walkways shall be shown on the final site plan.
- 10. The concept of a recreational trail adjacent to the wetland area on Parcel 1221049041 shall be part of the final site plan review process and potential connection to the Interurban Trail explored.
- 11. Amendments to this Business Park rezone may occur as follows:
 - a. The Planning Director may interpret the words and meaning of certain conditions in order to resolve conflicts in implementation.
 - b. If changes to the language of the rezone are required, such proposed changes shall be reviewed by the Planning and Community Development Committee of the City Council, or its successor. If the change is minor, less than 10% change, then the Committee shall make a recommendation to the City Council. If the change is major, greater than 10% modification, then the Committee shall refer the change to the Hearing Examiner. The Hearing Examiner shall conduct a public hearing and make a recommendation to the City Council.
 - c. Amendments to the rezone shall only be initiated by the property owner of the City.

EXHIBIT LIST

Exhibit 1	Staff Report
Exhibit 2	Vicinity Map
Exhibit 3	Application
Exhibit 4	Conceptual Site Plan
Exhibit 5	Environmental Checklist
Exhibit 6	Combined Notice of Application (NOA) and SEPA Determination
Exhibit 7	Affidavit of Posting NOA and SEPA Determination
Exhibit 8	Affidavit of Mailing NOA and SEPA Determination
Exhibit 9	Notice of Public Hearing
Exhibit 10	Affidavit of Posting Public Hearing Notice
Exhibit 11	Affidavit of Mailing Pubic Hearing Notice
Exhibit 12	Aerial Photograph

Agenda Subject: Fiorito Business Park Rezone; Application No. Date: February 3, 2010 REZ09-0003

Exhibit 13	Staff Recommended Permitted Uses for Fiorito Business Park
EXHIDIT 13	
Exhibit 14	Design Standards for the Fiorito Business Park
Exhibit 15	Map 3.2, Urban Form, Auburn Comprehensive Plan
Exhibit 16	Ordinance No. 4962, Opus Business Park Rezone
Exhibit 17	Ordinance No. 5607, Opus Business Park Revised Rezone

Staff reserves the right to supplement the record of the case to respond to matters and information raised subsequent to the writing of this report

Aerial Photograph of Subject Site and Vicinity 1500 M Street NW REZ09-0003 Fiorito Business Park Rezone



Staff Recommended Permitted Uses Fiorito Business Park Rezone

	PERMITTED USES	ENTIRE BUILDING	REAR PORTION BUILDING ONLY
1	Arcades	YES	YES
2	Art, music, and photography	YES	YES
	studios		
3	Auction houses, excluding animals	YES	YES
4	Automobile repair services	YES	YES
5	Automobile sales, new and/or used	YES	YES
6	Automobile or truck rental	YES	YES
7	Automobile washes	YES	YES
8	Banking and related financial	YES	YES
	institutions		
9	Building contractor services,	YES	YES
	including storage yards, if screened		
10	Civic, social, and fraternal	YES	YES
	associations		
11	Delicatessens	YES	YES
12	Dry cleaning and laundry services	YES	YES
13	Equipment rental and leasing, does	YES	YES
	not include heavy construction		
	equipment		
14	Hotels	YES	YES
15	Laundry, self-service	YES	YES
16	Lumber yards	YES	YES
17	Mini-storage warehouses	YES	YES
18	Motorcycle sales and service	YES	YES
19	Personal service shops	YES	YES
20	Printing and publishing	YES	YES
21	Professional Offices	YES	YES
22	Recreational vehicle sales lots	YES	YES
23	Restaurants	YES	YES
24	Retail stores and shops, including	YES	YES
	department and variety stores as		
	listed in ACC Section		
	18.30.020(WW 1-32).		\/
25	Re-upholstery and furniture repair	YES	YES
26	Storage warehousing, limited to	NO	YES
	being incidental to principal		
	permitted use on property	VEO	VEC
27	Truck sales with repair as	YES	YES
	secondary use		

28	Health and physical fitness clubs	YES	YES
29	Household movers and storage	YES	YES
30	Janitorial Services	YES	YES
31	Manufacturing, assembling and packaging of articles, products and merchandise when conducted entirely within an enclosed building and if 1 job per 1,000 square feet is created.	YES	YES
32	Printing, publishing, and allied industries including such processes as lithography, etching, engraving, binding, blueprinting, photocopying, and film processing	YES	YES
33	Research, development and testing	YES	YES
34	Small appliance repair	YES	YES
35	Warehousing and distribution facilities, to include wholesale trade not open to the general public. This includes motor freight transportation as an incidental use but specifically excludes motor freight transportation as the principal use of the property	NO	YES
36	Other uses may be permitted by the Planning Director if the use is determined to be consistent with the intent of the Fiorito Business Park Zone and is of the same general character of the uses permitted in this list	YES	YES

DESIGN STANDARDS FIORITO BUSINESS PARK REZONE

I. STANDARDS APPLICABLE TO SITE DESIGN

A. Parking Lots

1. Surface lots shall have a planter bed that includes at least one tree, a minimum of two inch caliper at the time of planting, shrubs, and groundcover.

B. Pedestrian Walkways

- 1. Pedestrian connections not less than five (5) feet wide shall be provided through parking lots to building entrances and sidewalks.
- 2. Pedestrian connections shall be clearly defined by textured paving, including across vehicular lanes, such as scored concrete, stamped concrete, or unit pavers.

C. Lighting

- 1. Only City approved standard fixtures shall be uses for public sidewalk lighting.
- 2. All site lighting shall be shielded from producing off-site glare and so that the direction of the light is downward.
- 3. The maximum height allowed for parking lot lighting is 24 feet.
- 4. Site lighting should be appropriate to create adequate visibility at night, evenly distributed to increase security, and coordinated with adjacent landscaping to avoid casting long shadows.

D. Screening of Trash and Service Areas

- 1. Trash and service areas shall be placed away from streets.
- 2. All service, loading, and trash collection areas shall be screened by a masonry fence and planting, with similar character to the design of the building it serves.

II. STANDARDS APPLICABLE TO BUILDING DESIGN

A. Entrances

- 1. Main entrances should be oriented so they are visible to the public right-of-way.
- 2. Building entrances shall have awnings a minimum of four (4) feet deep and cover the entire door width.

B. Landscaping adjacent to Building(s)

1. To provide visual transition of the joining of a building to the site, a minimum four (4) foot landscape space between the exterior wall and the horizontal paved surfaces, except at entrances/exits, loading docks, and service entries shall be provided. A mix of evergreen and deciduous trees, shrubs, and ground cover shall be included.

- C. Building(s) Facades
 - 1. All new buildings shall include on the façade visible from the public street, public recreational facilities, or the freeway shall the following:
 - a. Varied courses or panel of material
 - b. Articulated wall panels with accentuated joints, edges, or reveals visible from the street.
 - c. Windows, doors, or other openings over at least 20 percent of the building.
 - d. Articulated roofline or building base.
- D. If concrete blocks (concrete masonry units or "cinder blocks") are used for walls that are visible from a public street/freeway, public recreational facility, or pedestrian route, then the concrete block construction must be architecturally treated in one or more of the following ways:
 - 1. Use of textured blocks with surfaces such as split-face or grooved.
 - 2. Use of colored mortar.
 - 3. Use of other masonry types, such as brick, glass block, or tile, in conjunction with concrete blocks.
 - 4. Use of decorative coursing to break up blank wall areas.
- E. If concrete tilt-up structures are used for walls that are visible from a public street/freeway, public recreational facility, or pedestrian route, then the concrete wall must be architecturally treated in one or more of the following ways:
 - 1. Provided a textured scale to be visually perceptible at the distance viewed by the public
 - 2. Provide a pattern or composition created by casting relief in the exposed face of the concrete.
 - 3. Create compositions with horizontal profiles; a repetitive pattern applied to multiple panels is acceptable.

February 19, 2009



COMMERCIAL
DEVELOPMENT
& CONSULTING
INVESTMENT AND
BROKERAGE SERVICES

Exhibit 19 Number of Pages 4

Mr. Gary Volchok CB Richard Ellis 701 Pike Street, Suite 2100 Seattle, WA 98101

> RE: FIORITO INDUSTRIAL LAND AUBURN, WA

Dear Gary,

We analyzed this site for junior box retail tenancies last summer, on behalf of Panattoni and quickly ascertained that the site is not a viable retail site for several reasons. Any of the retail contacts we made were not positive. General comments are:

- Access without signalization on 15th, will not accommodate any retailers needs for moving customers in and out.
- Visibility on the north bound direction on 167 is also limited to the site because of its tightness tucked into the interchange area.

We spoke with a handful of retailers about the site and this opinion was basically confirmed.

Even with the installation of signalization on 15th, the site would still remain a B to B-retail site and we would highly advise that you and your client review for industrial usage.

Let me know if we can be of any further assistance.

Best regards,

James F. Hamm

Enclosures

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U PANATTONI°

February 24, 2009

Gary Volchok
First Vice President
CB Richard Ellis
701 Pike Street, Suite 2100
Seattle, WA 98101

RE: Fiorito Site - Auburn, WA

Gary,

Per our discussion, the Fiorito site is effectively rendered undevelopable by its comprehensive plan and zoning designation. The subject's Heavy Commercial comprehensive plan and C-3 zone are primarily intended for relatively intense retail uses with high traffic volumes. A thorough investigation of the retail brokerage community indicated that retailers liked the subject site's southbound exposure, but not its northbound exposure or access. Also, there is no signal on 15th to allow cars to turn left onto "M" Street when traveling East. Further, the close proximity of another signal would prevent a signal being placed at 15th and M. Subsequently, no intense retailers are interested in the site. Less intense retailers with low traffic counts (i.e., furniture stores, wholesalers, retailers with large show rooms) show some interest in the site. Unfortunately, there are fewer of these retailers in the marketplace. In order to feasibly develop the proposed site, we need to be able to lease to both less intense retailers as well as industrial users. The BP, Business Park Zone allows uses included in both the C-3 and M-1 zones.

Given the above information, in order to make development of the subject site feasible, both the subject's comprehensive plan and zone need to be changed.

Please feel free to call me with questions.

Sincerely,

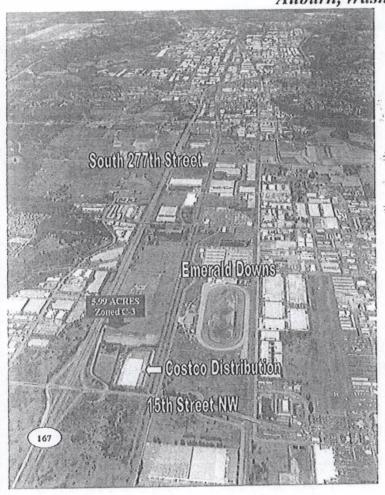
Patrick Gemma

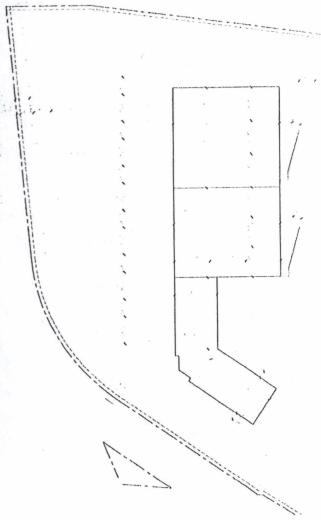
Senior Development Manager

HIGH VISIBILITY AUBURN INTERCHANG

6-Acre Retail Development Junior Anchor Opportunities

Valley Freeway (SR-167) & 15th Street NW Auburn, Washington





Traffic Counts

Average Daily Traffic

Intersection of SR 167 & 15th St NW

116,000

Source: 2006 Washington State DOT

Demographics (Estimated)

2 Mile	3 Mile	5 Mile
27,202	64,892	213,241
\$57,037	\$55,437	\$60,098
	27,202	27,202 64,892

Source: 2007 Scan/US Estimates

